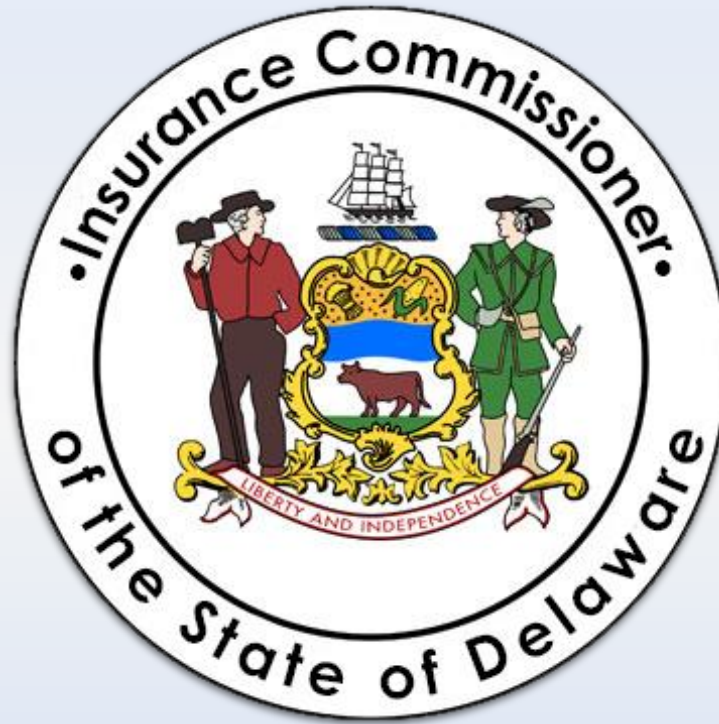


Delaware Department of Insurance FY 2022 Joint Finance Committee Hearing

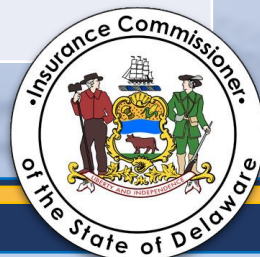


TRINIDAD NAVARRO, INSURANCE COMMISSIONER

DOI Financial Contributions

Where it comes from	FY 18 Actual	FY 19 Actual	FY 20 Actual	FY 21 Projected	FY 22 Projected
Premium Taxes	\$108.8 million	\$109.4 million	\$107.9 million	\$112.8 million	\$114.0 million
Licensing Fees and Fines	\$10.5 million	\$15.3 million	\$10.7 million	\$15.4 million	\$12.5 million
Gross Receipts-General Fund	\$119.3 million	\$124.7 million	\$118.60 million	\$128.2 million	\$126.5 million

Where it goes	FY 18 Actual	FY 19 Actual	FY 20 Actual	FY 21 Projected	FY 22 Projected
Fire/Ambulance/ Police Pension Fund/Health Fund	\$46.8 million	\$48.3 million	\$ 50.5 million	\$49.4 million	\$50.8 million
Fraud Fund	\$1.0 million	\$1.0 million	\$1.2 million	\$1.0 million	\$1.0 million
Workers' Comp	\$4.4 million	\$4.4 million	\$4.1 million	\$4.0 million	\$4.0 million
Net General Fund	\$67.1 million	\$71.0 million	\$62.9 million	\$73.8 million	\$70.7 million

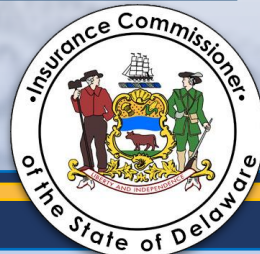


FY 2022 Budget Requests

No new positions, but an increase in the Department's salary spend authority by \$627,400 in order to account for career ladder positions and other increases.

Increase in spend authority for the Department's contractual line by \$600,000 for the second year of the Value-Based Health Care Delivery legislation.

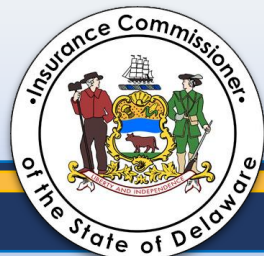
Increase spending authority for Examiners Fees by \$2,000,000 due to increase in fees collected in FY2020. This has been trending upward over the past several years due to the usage of Subject Matter Experts due to insurance legislation over the last decade.



Captive Bureau Contribution

FY21	City of Wilmington:	\$1 million
	General Fund:	\$2.7 million
FY20	City of Wilmington:	\$1 million
	General Fund:	\$2.9 million
FY19	City of Wilmington:	\$1 million
	General Fund:	\$3 million

Revenues from Captives has gone down industry wide due to recent changes in the IRS. Delaware is anticipating a revenue drop by the end of FY21 compared to FY20 by 7%.



DOI Goals

(look back from FY 21)

- ✓ The Department earned a 5 year accreditation from the NAIC
- ✓ Passed regulations, including the Annuity Suitability Best Interest Standard
- ✓ Responded to COVID rapidly through bulletins and working with the Office of the Governor
- ✓ Supported efforts to expand Telemedicine options and access
- ✓ Coordinated with industry members, national and local groups, and members of the General Assembly to build a strong legislative agenda



DOI Goals

(look back from FY'21)

✓ Accreditation

Earned for 5 more years following the NAIC's Financial Regulation Standards and Accreditation Committee's intensive assessment which consisted of an in-depth review of department regulations, state laws, financial analyses and examinations of companies, personnel practices, licensing, and interaction with domestic insurers.

Delaware-domiciled insurers held approximately **\$650 billion** in assets at year-end 2019. BERG has

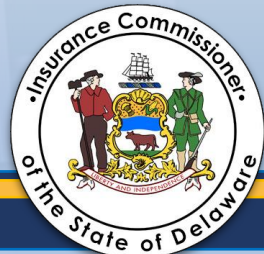
BERG has many critical roles in the insurance management process, including reviewing applications to do business in Delaware and monitoring the financial operations of 1,800 foreign and 140 domestic insurers licensed in the state.

The work of BERG preserves a healthy, competitive market, while protecting the public.

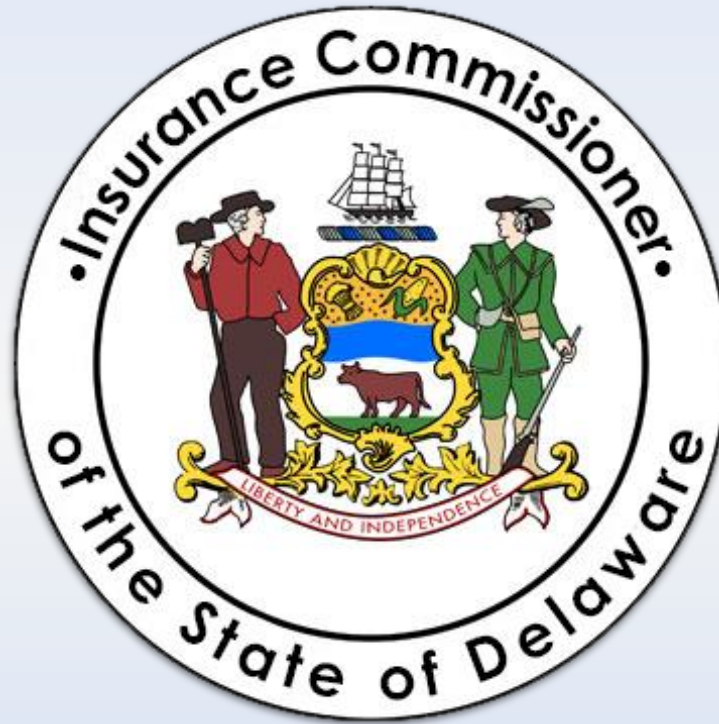


DOI Future Goals for FY '22

- Enhance homeowners' policy regulations, particularly for disclosures and non-renewals
- Create a more consumer-friendly auto insurance environment and increase departmental efficiency by making it easier to appeal cancellation and non-renewals
- Protect consumers in contracting processes by updating our assignment of benefits laws
- Protect insurance regulation from federal preemption
- Join the Interstate Insurance Compact
- Work with members of the General Assembly and various state committees on various legislative proposals, including issues such as primary care access and pharmaceutical costs



Thank you for your attention and consideration!



TRINIDAD NAVARRO, INSURANCE COMMISSIONER